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NUEXCO REPORT 213 FIGURES OF THE MONTH (April 30, 1986)	This Month (Report 213)	Last Month (Report 212)	12 Months Ago (Report 201)
Exchange Value[1]	17.25	17.25	14.25
Transaction Value[1]	17.10	16.70	14.90
UF_6 Value[2]	48.50	48.00	40.50
Loan Rate[3]	5%	5%	5%
Conversion Value[4]	1.90	1.80	1.50
Near-Term Uranium Supply[5]	2.6	2.5	2.7
Near-Term Uranium Demand[6]	1.2	1.0	1.4
Near-Term Supply-Demand Ratio	2.1	2.7	2.0
Recent Uranium Sales:			
Number of Transactions[7]	6	5	5
Quantity of Material[8]	1.4	0.5	1.7
Nuexco SWU Value:[9]			
at 0.3 tails assay and delivery within one year	80	80	—
USDOE SWU Prices:			
USEC	125.00[10]	125.00[10]	135.00
AFC	153.00[11]	153.00[11]	153.00[11]
Requirements	157.00[11]	157.00[11]	157.00[11]
Market Value of Enriched UF_6[12,13]:			
2.5 w/o U_{235}	467	466	458
3.0 w/o U_{235}	598	596	592
3.5 w/o U_{235}	731	729	728
4.0 w/o U_{235}	866	864	866

[1]US $ per pound U_3O_8 equivalent.
[2]US $ per kilogram U as UF_6.
[3]Per annum.
[4]US $ per pound U as UF_6.
[5]Active inquiries to sell, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[6]Active inquiries to purchase, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[7]Uranium sales only; does not include loans, conversion, or SWU transactions.
[8]Millions of pounds U_3O_8, equivalent.
[9]US $ per SWU.
[10]Effective 10/1/85.
[11]Effective 10/1/84.
[12]Calculated using the Nuexco Exchange Value, Conversion Value, and 0.30 percent tails assay. From 4/30/85 to 11/30/85, calculations used in the Nuexco SWU Value for DOE origin and delivery by the end of FY86. As of 12/31/85, calculations use the SWU Value for delivery within one year.
[13]US $ per KgU as UF_6, rounded to the nearest $.

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EXECUTIVE SUMMARY
REPORT 213
(All data as of April 30, 1986)

Exchange Value $17.25, unchanged

The **Exchange Value** is **$17.25** per pound U_3O_8, unchanged since last month.

UF_6 Value $48.50, up $0.50

The **UF_6 Value** is **$48.50** per kilogram U as UF_6, up $0.50 since last month.

Transactions

Six recent natural uranium sales are reported, involving approximately 1.4 million pounds equivalent U_3O_8. Five of the sales involved spot or near-term delivery and five met the conditions for inclusion in the Transaction Value. Four transactions involved natural UF_6.

Supply-Demand Ratio fell to 2.1:1

Active spot and near-term **uranium supply** amounts to **2.6 million** pounds U_3O_8 equivalent, up 65 thousand pounds since last month. Active spot and near-term **uranium demand** totals **1.2 million** pounds, up 275 thousand pounds. The spot and near-term **supply-demand ratio** fell to **2.1:1.**

Transaction Value $17.10, up $0.40

The **Transaction Value** is **$17.10** per pound U_3O_8, up $0.40 since last month. The calculation includes 19 transactions involving a total of 2.3 million pounds U_3O_8 and equivalent UF_6, and covers a period of 5 months.

Loan Rate unchanged at 5%

The **Loan Rate** is **5 percent** per annum, unchanged.

Conversion Value $1.90, up $0.10

The **Conversion Value** is **$1.90** per pound U as UF_6, up $0.10 since last month. Active secondary market supply for conversion services for delivery within three years totals 825 thousand pounds U as UF_6. Active demand totals 625 thousand pounds U as UF_6. Two secondary market conversion transactions are reported.

SWU Value for delivery within one year: $80

The **SWU Value** at .3 tails and for delivery within one year is **$80** per SWU, unchanged since last month. Three secondary market SWU transactions are reported, involving less than 100 thousand SWUs.

* * *

Analysis and Commentary

Nuexco's forecast of world uranium production in 1986 indicates that approximately 93 million pounds U_3O_8 will be produced. Production increases are expected in Canada, Australia, and especially the USA. Production throughout Central and Southern Africa will probably decrease slightly.

Australia

Pioneer Concrete Services, Ltd., the parent company of Queensland Mines Ltd., has announced an agreement by which it will acquire the 31-percent share of Energy Resources of Australia currently held by North Broken Hill Holdings. If the transaction is approved by shareholders, Pioneer will own significant interests in both of Australia's active uranium production operations.

Japan

Tokyo Electric Power Company and six other Japanese utilities concluded annual price negotiations for deliveries under long-term uranium supply contracts with Namibia's Rossing Uranium Limited. The utilities agreed to pay slightly less than US$32.00 per pound U_3O_8 for deliveries beginning in 1987. The negotiated price represents a reduction of about $1.00 from the price paid for 1986 deliveries.

South Africa

First quarter uranium production from Chamber of Mines producers totaled slightly less than three million pounds U_3O_8, as output remained almost constant at most of the operations.

Soviet Union

A major accident at the Chernobyl nuclear power plant, a four-unit, 4,000-MWe station near Kiev, has rekindled the debate over the safety of nuclear power. The psychological effects alone of such a disaster are likely to impact nuclear power programs and the uranium market worldwide.

United States

Ferret Exploration Company of Nebraska announced that it has entered into an agreement to purchase the Wyoming Fuel Company ownership interest in the Crow Butte Joint Venture. The sale is contingent upon the transfer of licenses to Ferret, the new project operator.

Update

Almost 130 nations are now parties to the Treaty on the Nonproliferation of Nuclear Weapons (NPT). This update reviews the status of the NPT and nuclear safeguards system set up by the International Atomic Energy Agency for international cooperation in the nuclear industry, as well as its relationship to worldwide uranium commerce.

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